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ALLENS
ARTHUR ROBINSON
GROUP

Allen Allen & Hemsley

SOLICITORS & NOTARIES

WESTPAC BANKING CORPORATION

and

BANK OF MELBOURNE

MERGER OF

WESTPAC BANKING CORPORATION

AND

BANK OF MELBOURNE

UNDERTAKING

GIVEN TO

THE AUSTRALIAN COMPETITION AND CONSUMER COMMISSION

JULY 1997

Allen Allen & Hemsley

TRADE PRACTICES ACT 1974 - SECTION 87B

UNDERTAKING

PARTIES

This undertaking is given to the Australian Competition and Consumer Commission (the *Commission*) by the parties, being Westpac Banking Corporation (ARBN 007 457 141) (*Westpac*), and Bank of Melbourne Limited (ACN 007 270 448) (*BML*) under Section 87B of the Trade Practices Act 1974.

BACKGROUND

Westpac and BML are licensed banks operating in Australia. Westpac proposes to acquire ownership of BML pursuant to three schemes of arrangement.

On 3 April 1997 Westpac and BML announced their proposal to merge. On 15 April 1997 Westpac and BML lodged a confidential joint submission with the Commission in support of their request for an informal clearance for the proposed merger under Section 50 of the Trade Practices Act.

The Commission expressed its view to Westpac and BML that the proposed merger may contravene Section 50 in the transaction accounts market in Victoria, with some competition effects in the related credit card and small business markets.

Westpac and BML informed the Commission that they did not agree that the proposed merger may contravene Section 50, and that they did not agree that there was a separate transaction accounts market in Victoria, nor credit card or small business markets.

A meeting was held between senior executives of Westpac and the Commission at which the Commission's competition concerns were explained. Westpac acknowledged that it understood the basis for the Commission's competition concerns and agreed that further discussions should take place between Westpac staff and Commission staff to identify and develop measures which, if implemented, would alleviate the Commission's competition concerns.

As a result of these discussions Westpac and BML, without admission, offered to give this Undertaking to the Commission under Section 87B of the Trade Practices Act, and the Commission informed Westpac and BML that the Undertaking would allay its concerns and that the Commission would accept the Undertaking under Section 87B of the Act.

DEFINITIONS

In this Undertaking, unless the context otherwise requires:

Access means Unilateral Access, Bilateral Access, access to the Designated ATM Network, access to EFTPOS Facilities, or access to EFTPOS Gateway Facilities by a Card Issuer in accordance with clause 6 or 7 of this Undertaking.

Account Keeping Fee means (in clauses 3 and 4) a monthly account service charge for maintaining an account.

Announcement Date means the date upon which Westpac, BML and/or the Commission first publish the terms or the effect of the material terms of this Undertaking, whether or not this Undertaking has then been executed.

ATM means Automated Teller Machine.

Bilateral Access means a reciprocal access arrangement whereby a Card Issuer's card is able to be used in facilities owned and/or operated by Westpac, or owned and/or operated by a merchant customer of Westpac, in which a Westpac card can be used, and vice versa.

BML means Bank of Melbourne Limited or, if the assets and liabilities of Bank of Melbourne Limited vest in Westpac, means (from the time of vesting) Westpac conducting business in Victoria utilising those assets and liabilities and trading as Bank of Melbourne.

BML Branch means:

- (a) any branch office or other staffed point of representation of BML in Victoria; or
- (b) after the merger and Branch Conversion any branch office or other staffed point of representation of Westpac within Victoria that is operated as a branch or point of representation by BML.

BML Customer means a customer of a BML Branch.

Branch Conversion means re-branding of Westpac branches and points of representation as BML branches and points of representation and integration of BML and Westpac products offered to customers.

Card Issuer means any deposit-taking institution licensed to take deposits from the public under a relevant State or Federal Act, carrying on business in Victoria, which is either:

- (a) an institution acting as principal and/or agent with an Exchange Settlement Account or as a member of a body classified as a Special Services Provider;
- or
- (b) an institution that does not fall within paragraph (a) of this definition provided that:
 - (i) the institution ("the non ESA institution") is and remains a party to an enforceable agreement (a copy of which has been provided to Westpac) with an institution which falls within paragraph (a) of this definition ("the sponsor"), pursuant to which agreement the sponsor agrees to settle the non ESA institution's transactions through its Exchange Settlement Account; and
 - (ii) the sponsor enters into an enforceable agreement with Westpac pursuant to which agreement the sponsor provides its Exchange Settlement Account without qualification to settle any transactions performed under an access arrangement between the non ESA institution and Westpac under clauses 6 and/or 7 of this Undertaking,

but only for so long as both provisos continue to be satisfied.

Date of the Merger means the date upon which the scheme of arrangement for ordinary shares becomes binding upon the ordinary shareholders of BML in accordance with section 411(10) of the Corporations Law.

Designated ATM Network means the Westpac and Challenge Bank ATM network and, following post-merger integration, the network of Westpac, BML and Challenge Bank ATMs.

EFTPOS means electronic funds transfer at point of sale.

EFTPOS Facilities means EFTPOS terminals and machines, EFTPOS merchant acquiring services and EFTPOS compatible cards issued by a financial institution.

EFTPOS Gateway Facilities means a commercial arrangement between Westpac and a Card Issuer that enables the Card Issuer to have access to Westpac's bilateral links for card acceptance.

Exchange Settlement Account means a settlement account facility held at the Reserve Bank of Australia by a bank, or by another financial institution subject to similar prudential requirements, or for use by a Special Services Provider, to settle debts arising from the clearing of payments.

FDRA means First Data Resources Australia Ltd.

Force Majeure means any circumstance beyond the reasonable control of Westpac or BML and without limiting the generality of the foregoing, shall include acts of God, explosion, flood, lightning, tempest, fire, accident, war, hostilities, invasion, act of foreign enemies, rebellion, revolution, insurrection, military or usurped power, civil war, riot, civil commotion, disorder, acts or omissions by any governmental authority (including restrictions, regulations, by-laws, refusals to grant any licences or permissions, prohibitions or measures of any kind), embargoes, strikes, lock-outs or other industrial action or trade disputes of whatever nature, the requirements of any law (including fiduciary duties of directors and any stock exchange listing rule) or default by persons other than Westpac or BML.

Independent Expert means an independent expert, whose appointment and responsibilities are set out in clause 8.

PCA means the Personal Current Account product of BML.

PCA Customer means a BML Customer with a PCA on the Announcement Date who does not cease to hold that account or any substitute account described in clause 3.1(d).

Related Body Corporate has the meaning set out in section 50 of the Corporations Law.

Special Services Provider has the meaning currently given in section 111AZD(1) of the Corporations Law.

Transaction Fee means (in clause 3) a fee charged for withdrawals from an account or balance enquiries in respect of that account, via:

- (a) EFTPOS;
- (b) Westpac, BML and Challenge Bank ATM's;
- (c) a BML Branch;
- (d) personal cheque; or
- (e) (until Branch Conversion) any other ATM or agency arrangements.

Undertaking Period means the period of 3 years commencing on the Date of the Merger, except in relation to clause 6 where it means the period commencing on the Date of the Merger and ending 3 years after satisfaction of clause 6.1(a).

Unilateral Access means an access arrangement whereby a Card Issuer's card is able to be used in facilities owned and/or operated by Westpac, or owned and/or operated by a merchant customer of Westpac, in which a Westpac card can be used.

Interpretation:

In this undertaking, the singular includes the plural and vice versa, a gender includes all other genders, and time means Victorian time.

1. DURATION OF UNDERTAKING

- 1.1 This Undertaking comes into effect on the execution of this Undertaking by Westpac and BML and the acceptance of the Undertaking by the Commission, and ceases at the end of the applicable Undertaking Period.
- 1.2 If the proposed merger of Westpac and BML does not proceed, this Undertaking shall be of no force and the parties shall be released from any obligations which would otherwise arise from this Undertaking.
- 1.3 If the proposed merger of Westpac and BML does proceed, the obligations of Westpac and BML remain in force only for such times during the applicable Undertaking Period at which:
- (a) BML is a Related Body Corporate of Westpac; or
 - (b) Westpac or a Related Body Corporate of Westpac:
 - (i) owns substantially the whole of the assets and liabilities of the banking business of BML; or
 - (ii) directly or indirectly controls that banking business.

2. BANKING HOURS

- 2.1 During the Undertaking Period, Westpac will ensure that the following trading hours and arrangements are maintained in respect of the specified BML Branches in Victoria:
- (a) on Saturdays a minimum of 100 BML Branches will be open between the hours of 9 am and 12 noon; and
 - (b) on Mondays to Fridays, a minimum of 100 BML Branches will be open for a minimum of 8 hours.

3. TRANSACTION ACCOUNTS

- 3.1 During the Undertaking Period Westpac will establish and give effect to the following transition arrangements for PCA Customers:
- (a) No PCA Customer who has maintained a minimum balance of \$400 in a BML PCA (or substitute account described in clause 3.1(d)) for 5 of 8 BML monthly accounting periods commencing on 15 May 1997, will be charged Account Keeping Fees or Transaction Fees on that account in any BML monthly accounting period during the Undertaking Period where the minimum balance is more than \$400;
 - (b) BML may offer all or some PCA Customers referred to in paragraph 3.1(a) a more advantageous arrangement than that described in paragraph 3.1(a), without any obligation on the PCA Customer to accept that offer;
 - (c) BML will ensure that PCA Customers are offered the following benefits:
 - (i) interest calculated daily on their account;
 - (ii) direct credit of salaries;
 - (iii) automatic loan repayments and insurance payments; and

- (iv) personal cheque books free of bank fees.
- (d) Nothing in this clause 3 prevents Westpac from substituting another account for the PCA with the benefits and features described in paragraphs 3.1(a) and (c).

4. DEBIT CARD

- 4.1 During the Undertaking Period Westpac will ensure that a debit card carrying the Visa or MasterCard brand is available to all BML Customers. The features of the card will include international and domestic acceptance and access to the customer's funds on deposit in a transaction account and/or funds available through the account's overdraft facility, a link to a transaction account with all of the benefits described in clause 3.1(c), and:
- (a) the ability to make bill payments by phone or mail to Visa or Mastercard merchants (as the case may be) offering that facility;
 - (b) access to national and international branch, ATM and merchant networks of Visa and Mastercard (as the case may be); and
 - (c) access to national EFTPOS facilities.
- 4.2 No Account Keeping Fees will be charged in respect of any BML monthly accounting period during the Undertaking Period on the linked transaction account of existing BML Customers with Visa debit cards on the Announcement Date who make a Visa or MasterCard debit transaction at least once in that BML monthly accounting period.

5. AUTONOMY OF BANK OF MELBOURNE MANAGEMENT

- 5.1 The Chief Executive Officer for BML in Victoria will have authority to make decisions as to the operation of BML during the Undertaking Period (subject to clause 5.2) with respect to the following matters:
- (a) all pricing decisions on interest rates, fees and charges, except:
 - (i) the setting of national base or indicator interest rates;
 - (ii) the pricing for products to be sold through securitisation or other similar arrangements;
 - (iii) the pricing of national Westpac branded products;
 - (b) human resource management including recruitment, staffing levels and redeployment subject to Westpac Group human resource policies;
 - (c) management of branches, mobile sales forces and other retail banking distribution in Victoria;
 - (d) marketing including BML brand management, product offers, segment targeting, and Victorian promotions and sponsorships relating to BML operations; and
 - (e) credit decisions within the framework of Westpac Group credit policies (in accord with requirements of the Reserve Bank of Australia).
- 5.2 The authority of the Chief Executive Officer of BML described in clause 5.1 will be subject to the following limitations:
- (a) compliance with all applicable requirements of the BML banking licence;

- (b) compliance with all other directions, rules and regulations of the Reserve Bank of Australia and any other competent authority;
- (c) compliance by Westpac, the directors of Westpac, BML, and the directors of BML with all of their other legal obligations; and
- (d) in the exercise of his authority, the Chief Executive Officer of BML must act in the best interests of BML as a whole, whether or not the Chief Executive Officer is a director of BML, and must act in accordance with any directions or regulations which the directors of BML or Westpac may impose from time to time pursuant to their legal obligations.

6. EFTPOS ACCESS

6.1 During the Undertaking Period Westpac will provide Unilateral Access or Bilateral Access to its EFTPOS Facilities and EFTPOS Gateway Facilities to any Card Issuer who requests such access, on reasonable commercial terms subject to the following matters:

- (a) Westpac will upgrade the existing interchange link to FDRA within 9 months after the Announcement Date to enable unilateral and bilateral EFTPOS transaction processing;
- (b) in order to provide access without subsidy, Westpac will be entitled to recover all reasonable costs of providing access either through an upfront connection payment or through ongoing interchange fees and obtain a reasonable return on capital and investment consistent with overall market norms for banks from time to time;
- (c) any software or hardware development required to achieve access with the exception of the upgrade described in clause 6.1(a) will be undertaken at a time determined by Westpac which will be as soon as reasonably practicable having regard to Westpac's development priorities from time to time;
- (d) Westpac's obligations under this clause are limited to the provision of access for the benefit of Victorian resident customers of the Card Issuer or its principal;
- (e) where a Card Issuer is prepared to develop the necessary software or hardware at its own cost or at a cost shared between itself and Westpac, Westpac will co-operate with the Card Issuer in identifying the software or hardware concerned and the cost of its development and negotiate in good faith with the Card Issuer arrangements whereby the software or hardware is to be developed and access is to be provided to the Card Issuer and subject to paragraphs (a) to (d) of this clause, Westpac will take all reasonable steps to ensure that access is provided pursuant to any arrangements so negotiated;
- (f) a request for access under this clause may be made by an agent duly appointed by the Card Issuer and Westpac will deal with the agent (rather than the Card Issuer) as to the terms of such access; and
- (g) Westpac will not unreasonably refuse to enter into an agreement of the type described in paragraph (b)(ii) of the definition of "Card Issuer" with a sponsor who provides its Exchange Settlement Account without qualification to settle transactions accordingly.

7. ATM ACCESS

- 7.1 During the Undertaking Period Westpac will provide Unilateral Access or Bilateral Access to the Designated ATM Network to any Card Issuer who requests such access, on reasonable commercial terms subject to the following matters:
- (a) utilisation of existing ATM interchange infrastructure with FDRA;
 - (b) in order to provide access without subsidy, Westpac will be entitled to recover all reasonable costs of providing access either through an upfront connection payment or through ongoing interchange fees and obtain a reasonable return on capital and investment consistent with overall market norms for banks from time to time;
 - (c) any software or hardware development required to achieve access will be undertaken at a time determined by Westpac which will be as soon as reasonably practicable having regard to Westpac's development priorities from time to time;
 - (d) Westpac's obligations under this clause are limited to the provision of access for the benefit of Victorian resident customers of the Card Issuer or its principal;
 - (e) where a Card Issuer is prepared to develop the necessary software or hardware at its own cost or at a cost shared between itself and Westpac, Westpac will co-operate with the Card Issuer in identifying the software or hardware concerned and the cost of its development and negotiate in good faith with the Card Issuer arrangements whereby the software or hardware is to be developed and access is to be provided to the Card Issuer and subject to paragraphs (a) to (d) of this clause, Westpac will take all reasonable steps to ensure that access is provided pursuant to any arrangements so negotiated.
 - (f) a request for access under this clause may be made by an agent duly appointed by the Card Issuer and Westpac will deal with the agent (rather than the Card Issuer) as to the terms of such access; and
 - (g) Westpac will not unreasonably refuse to enter into an agreement of the type described in paragraph (b)(ii) of the definition of "Card Issuer" with a sponsor who provides its Exchange Settlement Account without qualification to settle transactions accordingly.

8. RESOLUTION OF ACCESS DISPUTES

- 8.1 Westpac will appoint an Independent Expert approved by the Commission (such approval not to be unreasonably withheld) from a specialist consulting firm or from one of the "Big 6" accounting firms.
- 8.2 The Independent Expert should have a detailed understanding of and experience and expertise in:
- (a) the Australian payments system, including interchange arrangements; and
 - (b) management accounting.

The Independent Expert to whom a particular Access dispute is referred must be independent of Westpac, BML, the relevant Card Issuer, the Card Issuer's agent or sponsor, and any regulatory body.

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- 8.3 A Card Issuer may refer any Access dispute to the Independent Expert. Westpac must inform each Card Issuer who obtains Access of that right, and the identity and address of the Independent Expert.
- 8.4 Westpac may refer an Access dispute to the Independent Expert with the written consent of the relevant Card Issuer, if the Access dispute has not been resolved promptly by direct negotiation between Westpac and the Card Issuer. Westpac will have no obligation to refer Access disputes to the Independent Expert if the relevant Card Issuer does not consent to the referral.
- 8.5 Subject to legal rights of review or appeal, Westpac will be bound by any decision of the Independent Expert in relation to any Access dispute referred to the Independent Expert by Westpac or a Card Issuer. Westpac will be entitled to offer Access to Card Issuers on terms that entitle Westpac to enforce any decision of the Independent Expert against a Card Issuer in relation to an Access dispute referred to the Independent Expert, subject only to clause 8.8. This clause 8.5 shall apply in respect of all decisions of the Independent Expert in the absence of manifest error.
- 8.6 The particulars of an Access dispute referred to the Independent Expert must be submitted in writing by the referring party together with all matters relevant to the cause and resolution of the Access dispute. The other party shall be entitled to make submissions to the Independent Expert in relation to the Access dispute.
- 8.7 The Independent Expert will consider each Access dispute referred to the Independent Expert as follows:
- (a) the Independent Expert will give due weight to any representations made by Westpac or the Card Issuer within any time limit prescribed by the Independent Expert;
 - (b) the Independent Expert may request information, assistance or co-operation reasonably relevant to the dispute from Westpac or the relevant Card Issuer, who shall comply with any such request;
 - (c) the fees and expenses of the Independent Expert will be borne equally by Westpac and the relevant Card Issuer, and the parties will bear their own costs;
 - (d) subject to paragraph 8.7(c), the Independent Expert shall have power to determine whether the Access terms proposed by Westpac are reasonable or not, and if not, to determine reasonable Access terms having regard to:
 - (i) the matters described in paragraphs (a), (b), (c), (d) and (e) of the relevant Access provision in clause 6 or 7;and, to the extent that there is no inconsistency with paragraph 8.7(d)(i):
 - (ii) the legitimate business interests of Westpac and BML, and Westpac's investment in the relevant facilities;
 - (iii) the public interest, including the public interest in having competitive markets;
 - (iv) the interests of all Card Issuers eligible to use the relevant facilities;
 - (v) the direct costs of providing Access to the relevant facilities;
 - (vi) the value to Westpac of any Unilateral Access or Bilateral Access obtained or provided;

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- (vii) the operational and technical requirements necessary for the safe and reliable operation of the relevant facilities; and
 - (viii) the economically efficient operation of the relevant facilities.
- (e) the Independent Expert shall have power to determine all matters relevant to the subject matter of the Access dispute other than matters or terms relating directly to:
- (i) prioritisation and scheduling of Westpac system development works such as those referred to in paragraphs 6.1(c) and 7.1(c);
 - (ii) Westpac system security and total network security;
 - (iii) Westpac's established testing procedures;
 - (iv) Westpac's encryption programmes and "encryption key" management processes;
 - (v) disruption of Westpac's existing systems;
 - (vi) disruption of the provision of services by Westpac to its existing customers; and
 - (vii) disruption of existing arrangements between Westpac and other Card Issuers.
- (f) the determinations of the Independent Expert will be binding so that:
- (i) Westpac will provide Access to the Card Issuer on the terms determined by the Independent Expert; and
 - (ii) Westpac may not impose Access terms which the Independent Expert has determined are not reasonable; and
 - (iii) subject only to clause 8.8, the relevant Card Issuer must comply with Access terms which the Independent Expert has determined to be reasonable; and
 - (iv) the determination of the Independent Expert shall apply from the date of determination and shall not operate retrospectively to entitle any Card Issuer to compensation from Westpac in respect of Access terms subsequently determined not to be reasonable;
- (g) the Independent Expert must give reasons for any determination;
- (h) the Independent Expert will act as an expert and not as an arbitrator;
- (i) the Independent Expert must act as speedily as a proper consideration of the Access dispute allows, having regard to the need to investigate and inquire carefully and quickly into the dispute and all matters affecting the merits and fair settlement of the dispute; and
- (j) the Independent Expert must keep confidential all information in relation to Access disputes.

8.8 Westpac will permit any Card Issuer to terminate any Access arrangement provided under clause 6 or 7, by 30 days notice in writing, within 90 days after any determination by the Independent Expert (but determinations in relation to costs will remain enforceable, and all amounts incurred by the Card Issuer under the Access arrangement up to the date of termination will remain payable to Westpac).

8.9 Westpac, BML and the Commission acknowledge the desirability of resolving Access disputes by reference to an Independent Expert, without affecting the right of the Commission to enforce this Undertaking in respect of a breach by Westpac of its obligations under clauses 6 and 7.

9. DISPUTES WITH THE COMMISSION

9.1 Nothing in this clause affects the rights of the Commission to enforce this Undertaking by court proceedings under Section 87B or to take action under any other section of the Trade Practices Act.

9.2 Westpac, BML or the Commission may refer any dispute arising under clauses 6 and 7 of this Undertaking between the Commission and Westpac or BML, which is not resolved promptly by direct negotiations, to the Independent Expert.

9.3 The Independent Expert shall make a recommendation in respect of any dispute referred under clause 9.2, as to the most appropriate form of dispute resolution, and, with the consent of the parties, may proceed to implement that dispute resolution process.

9.4 A recommendation or decision of the Independent Expert under clause 9.3 shall not be binding on Westpac, BML or the Commission, except by prior consent.

10. VARIATION

10.1 Clause 10.2 will only apply if there is a material change in market conditions affecting competition:

- (a) with respect to the provision of transaction accounts by banks or other financial institutions; or
- (b) with respect to access to facilities of the type described in clauses 6 and 7 of this Undertaking,

from the conditions existing at the date of this Undertaking which is not caused directly or indirectly as a result of the implementation of this Undertaking.

10.2 Westpac, BML and the Commission will review this Undertaking and negotiate in good faith the amendment or revocation of all or any part of this Undertaking so as to place Westpac, as closely as practicable, in a competitive position with respect to the relevant matter in paragraph (a) or (b) of clause 10.1 no more detrimental than its competitive position would have been if the change in market conditions had not occurred.

10.3 If either the proposed scheme of arrangement in respect of BML preference shares or the proposed scheme of arrangement in respect of BML partly paid shares does not become binding under section 411(10) of the Corporations Law, the terms of this Undertaking will be deemed to be varied as follows:

- (a) "BML Branch" shall not include any branch of Westpac unless and until that branch has been fully converted to a branch of BML;

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- (b) BML, and not Westpac, will be obliged to discharge the obligations of Westpac described in clauses 2, 3 and 4.
 - (c) Access under clauses 6 and 7 shall be limited to EFTPOS and ATM Facilities owned and/or operated by Westpac or Westpac merchant customers.

10.4 If the costs of employment of those employees providing services described in clause 2 increase as a result of providing those services, Westpac, BML and the Commission will negotiate in good faith to amend or revoke clause 2 so as to remove or remedy any detriment to Westpac or BML resulting from that change.

11. FORCE MAJEURE

11.1 Westpac and BML will not be liable for any failure to perform any obligation under this Undertaking if the failure is due to Force Majeure.

11.2 If Westpac or BML is by reason of Force Majeure unable to perform an obligation under this Undertaking, Westpac will notify the Commission specifying:

- (a) the cause and extent of non-performance;
- (b) the date of commencement of Force Majeure;
- (c) the means proposed to be adopted to remedy or abate the Force Majeure,

and shall use all reasonable diligence and employ all reasonable means to remedy or abate the Force Majeure as expeditiously as possible.

12. NOTIFICATION

12.1 Westpac will give written notice to the Commission of the following matters as soon as practicable and in any event within 30 days after the relevant occurrence:

- (a) the Date of the Merger;
- (b) the names of all Card Issuers who request or obtain Access;
- (c) a copy of each determination and statement of reasons of the Independent Expert given under clause 8;
- (d) the date of satisfaction of clause 6.1(a);
- (e) the commencement and termination or abatement of Force Majeure; and
- (f) all other matters required to be notified to the Commission under this Undertaking.

12.2 BML will advertise the terms of clause 3.1(a) on four occasions promptly after the Announcement Date in the weekly BML rate advertisement published in a daily newspaper circulating throughout Victoria.

13. CONFIDENTIALITY

13.1 Westpac and BML give this Undertaking on the express advice of the Commission that it may publish the Undertaking, but save for the purposes of enforcement action under Section 87B of the Trade Practices Act, or under any other legal obligation, it will not publish or disclose:

- (a) any fee or charge described in this Undertaking;

- (b) information notified under clause 12.1(b);
- (c) the particular terms of any Access arrangement made in accordance with this Undertaking;
- (d) any decision or the reasons for any decision of the Independent Expert under clause 8.

EXECUTED on the 25th day of July 1997.

For and on behalf of
WESTPAC BANKING CORPORATION
 by *ROBERT LAW JOHNS*
 and *BETTIE ANNE MCNEE*
 its duly constituted attorneys
 who are personally known to me:

) **WESTPAC BANKING CORPORATION**
) by its attorneys who hereby
) respectively state at the time of
) their executing this instrument
) they have no notice of the revocation
) of the power of attorney registered in
) the office of the Registrar General
) numbered 427 book 3847 under the
) authority of which they have executed
) this instrument

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MATTHEW SLATTER
DEPUTY CHIEF FINANCIAL OFFICER
GROUP FINANCE
THE COMMON SEAL of
BANK OF MELBOURNE LIMITED
 was affixed in accordance
 with its Articles of Association



[Handwritten signature]

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Richard Howard John HASSELDINE

Christopher John STEWART

Print name

Print name

SECRETARY

DIRECTOR

Office held

Office held

ACCEPTED BY THE AUSTRALIAN COMPETITION AND CONSUMER COMMISSION

[Handwritten signature]

 Chairperson

Dated 25 July 1997.